UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

DOREL STEEL ERECTION CORPORATION,

Plaintiff,

v.

CAPCO STEEL CORPORATION,

Civil Action No. 05-10627-WGY

Defendant,

and

CANAM STEEL CORPORATION,

Reach-and-apply Defendant.

ANSWER OF CANAM STEEL CORPORATION

Reach-and-apply defendant Canam Steel Corporation ("Canam") answers the Verified Complaint of plaintiff Dorel Steel Erection Corporation ("Dorel") as follows:

FIRST AFFIRMATIVE DEFENSE

For its First Affirmative Defense, Canam states that the Verified Complaint fails to state a claim against Canam upon which this Court may grant relief.

SECOND AFFIRMATIVE DEFENSE

For its Second Affirmative Defense, Canam states that any amount it may owe to defendant Capco Steel Corporation ("Capco") is contingent upon Canam's receipt of payment from other parties who have not been served in this action.

THIRD AFFIRMATIVE DEFENSE

For its Third Affirmative Defense, Canam states that it is entitled to set off amounts owed by Capco to Canam against any amount that Canam may owe to Capco.

FOURTH AFFIRMATIVE DEFENSE

For its Fourth Affirmative Defense, Canam states that it is entitled to recoup from any amount that Canam may owe to Capco any liabilities for which Capco is responsible.

FIFTH AFFIRMATIVE DEFENSE

For its Fifth Affirmative Defense, Canam responds to the separately numbered paragraphs of the Verified Complaint as follows:

- 1-12. Canam is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in \P 1-12 of the Verified Complaint.
- 13. Canam incorporates by reference its response to ¶¶ 1-12 above as and for its response to ¶ 13 of the Verified Complaint.
- 14-15. Canam is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in ¶¶ 14-15 of the Verified Complaint.
 - 16-17. Admitted.
- 18. Canam is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in ¶ 18 of the Verified Complaint.
- 19. Canam admits that Dorel is seeking to reach and apply any funds due or to become due from Canam, but denies that Dorel is entitled to such relief.
- 20. Canam is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in ¶ 20 of the Verified Complaint.
 - 21-22. Denied.

CANAM STEEL CORPORATION,

By its attorney,

/s/ Michael D. Vhay
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Dated: April 13, 2005

CERTIFICATE OF SERVICE

I hereby certify that a true and exact copy of the foregoing Answer of Canam Steel Corporation has been served upon counsel for all other parties by U.S. Mail on this 13th day of April, 2005.

Michael D. Vhay